

MAR 13 2015

SENATE RESOLUTION

REQUESTING THE 2015 TAX REVIEW COMMISSION TO UPDATE THE STUDY OF
THE DISTRIBUTION OF STATE AND LOCAL TAX BURDEN BY INCOME
CLASS.

1 WHEREAS, a Tax Review Commission will convene in 2015
2 pursuant to article VII, section 3, of the State Constitution;
3 and
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5 WHEREAS, the basic duties of the Commission are to evaluate
6 the State's tax structure and recommend revenue and tax policy;
7 and
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9 WHEREAS, an issue that requires evaluation by the 2015 Tax
10 Review Commission is the distribution of state and local tax
11 burden by income class; and
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13 WHEREAS, Professors Walter Miklius, James Moncur, and
14 PingSun Leung published the study "Distribution of State and
15 Local Tax Burden by Income Class" in 1989 for the Tax Review
16 Commission; and
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18 WHEREAS, the Miklius, et al., study is a seminal work on
19 the incidence of the various state and county taxes and extent
20 of progressivity or regressivity of the taxes; and
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22 WHEREAS, data from the Miklius, et al., study continues to
23 be cited in contemporary times, particularly the findings that
24 approximately thirty per cent of the general excise tax revenues
25 is exported to tourists and others and that the general excise
26 tax is regressive; and
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28 WHEREAS, the Miklius, et al., study is more than twenty-
29 five years old; and
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1 WHEREAS, more recent data of quality and relevance are
2 needed for this body and state administration to make the best
3 decisions on revenue and tax policy; now, therefore,
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5 BE IT RESOLVED by the Senate of the Twenty-eighth
6 Legislature of the State of Hawaii, Regular Session of 2015,
7 that the 2015 Tax Review Commission is requested to conduct or
8 commission a study updating the distribution of state and local
9 tax burden by income class; and
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11 BE IT FURTHER RESOLVED that the 2015 Tax Review Commission
12 is requested to require the study to correspond as much as
13 possible to the methodology of the 1989 study by Miklius, et
14 al., "Distribution of State and Local Tax Burden by Income
15 Class," to enable a comparison of the findings of both studies;
16 and
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18 BE IT FURTHER RESOLVED that the 2015 Tax Review Commission
19 is requested to submit the study to this body and Governor with
20 the Commission's Final Report under article VII, section 3, of
21 the State Constitution; and
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23 BE IT FURTHER RESOLVED that a certified copy of this
24 Resolution be transmitted to the Director of Taxation for
25 submittal to the 2015 Tax Review Commission.
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OFFERED BY: _____

